

WOOL MARKET

WEEKLY REPORT

Sale30: Thu 25th Jan 2024



Time to start planning for IWTO Congress April 2024 - Adelaide, South Australia. www.iwto.org

Aust. wool offering		Currency movements			Eastern Market Indicator (EMI)			
Bales offered	37,757	AUD:USD	0.6575	+ 0.26 %	AUD	1186 ac/kg	- 10 ac/kg	- 0.84 %
Clearance rate %	90.4 %	AUD:CNY	4.7176	- 0.04 %	USD	780 usc/kg	- 4 usc/kg	- 0.58 %
Bales Sold	34,132	AUD:EUR	0.6052	+ 0.53 %	CNY	55.95 ¥/kg	- 0.49 ¥/kg	- 0.87 %
Bales sold season	925,789	RBA close rates 24th Jan 2024			EUR	7.18 €/kg	- 0.02 €/kg	- 0.31 %

AWI Market Commentary

Overall, a minor lowering of prices occurred this week at the Australian wool auctions, but some individual types in the Merino sector were more effected. The crossbred wool types on offer did quite well though with some small gains placed on most sale lots. Over 22% of this week's bales were of the crossbred type wools.

Following on from last week's large (seller friendly) foreign exchange movements, the market was somewhat dampened this week by the stronger AUD which did go over 0.66 and was largely above last week's rates during selling. Whilst China remains the dominant importer and buyer of Australian wool, demand and general consumption in that nation is somewhat subdued, particularly in the weaving sector. The cold snap during December 2023 in China though saw a large spike for sweaters (knitwear) at retail and larger than normal sales figures were recorded.

The Merino sector of 18.5 to 19.5 micron saw 25ac cheaper levels being achieved. At the finest end of the micron spectrum, the few sale lots of Merino wools finer than 17 micron had prices 60ac lower as European activity remains sporadic and other destinations are adjusting to the availability of these better types.

In what is becoming a lowering volume area of the Australian Merino clip, the wools broader than 20 micron held on well and were largely unchanged to just 5/10ac cheaper this week. The fine and medium wools of 20.6 to 23.5 micron account for just 12% of the tested wools for the first half of the 2023/24 season.

Passed in rates at auction this week approached the 10% mark, which indicates a trend towards grower sellers holding onto some of their clip as prices lower, particularly Merino fleece. In both the Melbourne (11.6% passed in) and Fremantle (21% passed in). Again, two of China's largest top makers featured at the top of buyer's lists with solid support from trader exporters.

Next week will sell just 2 days Tues/Wed with just 36,000 bales offered

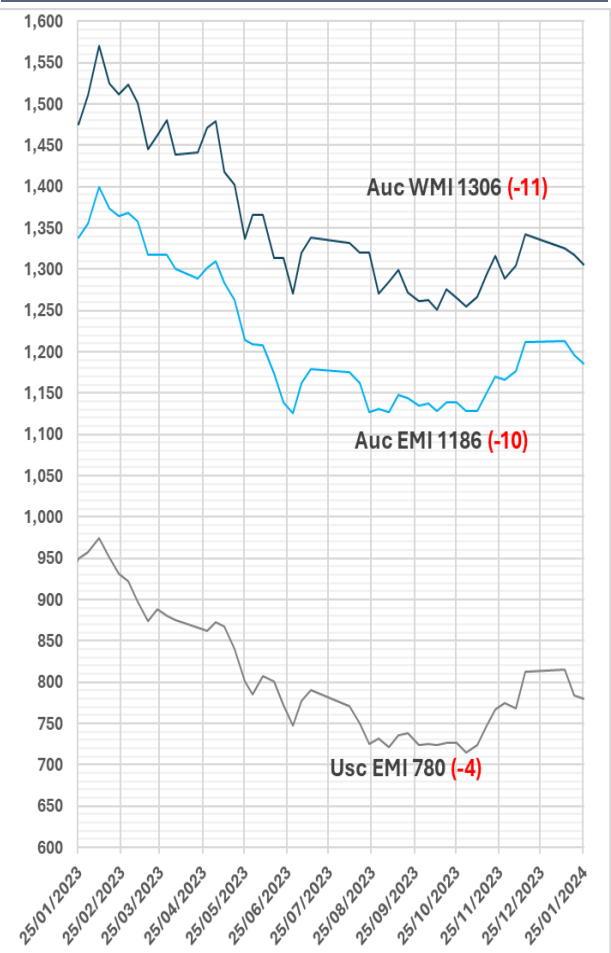
Scheduled Australian wool at auction offerings

Sale week	2023/24 est.	2022/23 actual
Week 31	36,535 bales	38,516 bales
Week 32	43,470 bales	49,324 bales
Week 33	c43,000 bales	57,916 bales

Western Market Indicator (WMI)

AUD	1306 ac/kg	- 11 ac/kg	- 0.84 %
USD	859 usc/kg	- 5 usc/kg	- 0.58 %

12 month Market Indicators 24th Jan 2024



Australian Wool Innovation Limited and its employees, officers and contractors and any contributor to this material ("us" or "we") have used reasonable efforts to ensure that the information contained in this material is correct and current at the time of its publication, it is your responsibility to confirm its accuracy, reliability, suitability, currency and completeness for use for your purposes. To the extent permitted by law, we exclude all conditions, warranties, guarantees, terms and obligations expressed, implied or imposed by law or otherwise relating to the information contained in this material or your use of it and will have no liability to you, however arising and under any cause of action or theory of liability, in respect of any loss or damage (including indirect, special or consequential loss or damage, loss of profit or loss of business opportunity), arising out of or in connection with this material or your use of it. © Australian Wool Innovation Limited All rights reserved. This work is copyright. Except as permitted under Copyright Law no part of this publication may be reproduced by any process, electronic or otherwise, without the specific written permission of the copyright owner. Neither may information be stored electronically in any form whatsoever without such permission.